

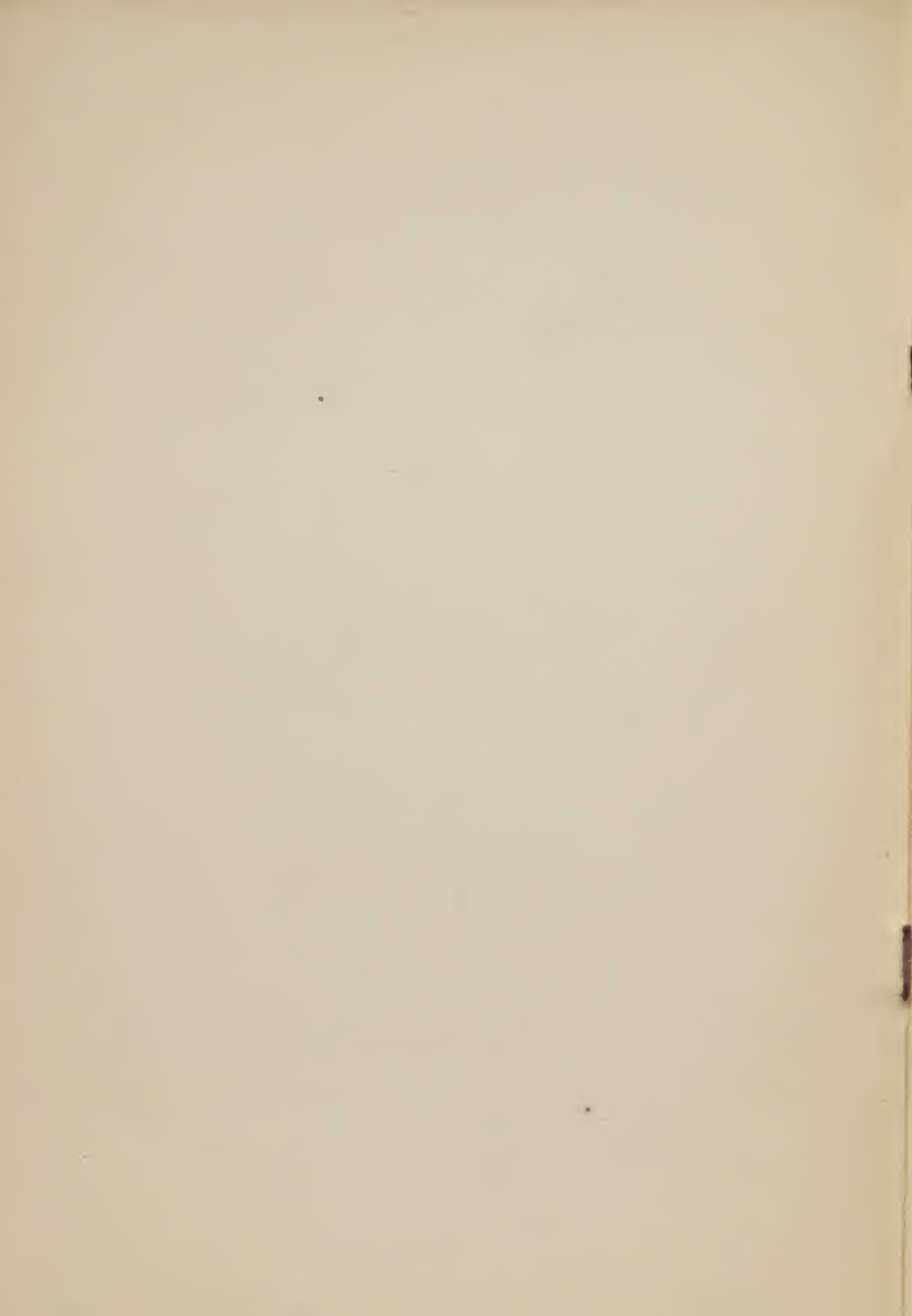
Seventy-fifth Annual Report of
Trustees of

PEABODY INSTITUTE

PEABODY, MASS.



For the Year Ending Dec. 31
1926



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Trustees of
PEABODY INSTITUTE

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PEABODY PRESS CO.

At a legal meeting of the inhabitants of the Town of Peabody, qualified to vote in Town affairs, held March 6, 1892, it was

Voted: That the Town allow the Trustees of the Peabody Institute, in the future, to make their annual report in print.

A true copy of record.

Attest:

N. H. POOR, Town Clerk.

BOARD OF TRUSTEES

1926

HAROLD G. DUNNEY, President JAMES F. COFFEY, Secretary
JOHN J. GALLAGHER, Treasurer

FINANCE COMMITTEE

A. P. BUGLER J. E. FITZGERALD
HAROLD G. DUNNEY J. M. GILMORE
JOHN F. CHURCH D. L. TUMELTY

BUILDING COMMITTEE

J. T. SWEENEY J. E. PAIGE
J. F. COFFEY

BURIAL LOT COMMITTEE

N. F. MASTERSON J. E. PAIGE
J. H. ELLIS

TRUSTEES

A. P. BUGLER.....	Term Expires	December 31, 1926
HAROLD G. DUNNEY	Term Expires	December 31, 1926
JAMES F. COFFEY.....	Term Expires	December 31, 1927
DANIEL L. TUMELTY.....	Term Expires	December 31, 1927
JOSEPH T. SWEENEY.....	Term Expires	December 31, 1928
JOSEPH M. GILMORE.....	Term Expires	December 31, 1928
JOHN C. CHURCH.....	Term Expires	December 31, 1929
NATHAN F. MASTERSON.....	Term Expires	December 31, 1929
JOHN E. FITZGERALD.....	Term Expires	December 31, 1930
J. HENRY ELLIS.....	Term Expires	December 31, 1930
JOHN J. GALLAGHER.....	Term Expires	December 31, 1931
JAMES E. PAIGE.....	Term Expires	December 31, 1931
JAMES H. FRAME.....		Janitor

LIBRARY AND LYCEUM COMMITTEE, 1926

W. W. WOODMAN, Chairman	JOHN J. CALLAHAN
P. H. O'CONOR, Secretary	JAMES E. FARLEY
MRS. LYMAN P. OSBORN	WILLARD W. WOODMAN
MISS HELEN M. O'ROURKE	J. HENRY HIGGINS
GEORGE R. UNDERWOOD	MISS ELIZABETH B. FITZGERALD
JOHN E. FITZGERALD	J. W. P. MURPHY

LIBRARY COMMITTEE

P. H. O'CONOR	HELEN M. O'ROURKE
JOHN E. FITZGERALD	MISS E. B. FITZGERALD
GEORGE R. UNDERWOOD	MRS. L. P. OSBORN
W. W. WOODMAN	JAMES E. FARLEY
JOHN J. CALLAHAN	

EBEN DALE SUTTON COMMITTEE

P. H. O'CONOR	GEORGE R. UNDERWOOD
JAMES E. FARLEY	JOHN E. FITZGERALD
J. J. CALLAHAN	MISS E. B. FITZGERALD
J. W. P. MURPHY	

LYCEUM COMMITTEE

MRS. L. P. OSBORN	J. H. HIGGINS
J. W. P. MURPHY	E. A. HERSHENSON
W. W. WOODMAN	

READING ROOM COMMITTEE

MRS. L. P. OSBORN	MISS HELEN M. O'ROURKE
E. A. HERSHENSON	

FINANCE COMMITTEE

P. H. O'CONOR	JOHN E. FITZGERALD
JOHN E. KEEFE, Librarian	
MISS FRANCES CARROLL, Librarian Eben Dale Sutton Reference Library	

TREASURER'S REPORT

Peabody, Mass.,

December 31, 1926.

Trustees, Peabody Institute,
Peabody, Mass.

Gentlemen:

Attached herewith is report in detail covering financial transactions for year 1926, together with lists of securities held in various funds with market values of same.

Our securities are sound and paying interest and dividends, excepting the following:

5M Indiana Columbia & Eastern R. R. (Bought 1902.)

1 Share New York, New Haven & Hartford R. R.

2M Chicago, Milwaukee & St. Paul R. R. (Bought 1915.)

During the year changes were made in securities as follows:

SOLD

1M Twin City Telephone 1st Mtg. 5's (Gen. Fd.)

2M Twin City Telephone 1st Mtg. 5's (Res. Fd.)

5M Warren National Bank Certificate of Deposit 3½%
(Gen. Fd.)

BOUGHT

1M Penn. & Ohio Power & Lt. Co. 1st & Ref. 5½ (Gen. Fd.)

1M Puget Sound Power & Lt. Co. 1st & Ref. 5½ (Res. Fd.)

1M Florida Power & Lt. Co. 5's.

1 1/5 shares Boston & Maine R. R. Prior Pref. Stock (E. T. Osborn Est.)

The books and securities were audited by Harvey S. Chase Co., Certified Public Accountants, during the year. The books were found correct and the securities were intact.

Very truly yours,

JOHN J. GALLAGHER.

Peabody General Fund Cash Account—Year 1926

Dr.		Cr.	
Balance	\$ 2,489.83	General Repairs	\$ 784.01
Interest Dividends,		Insurance	852.72
etc.	5,435.61	Gas, Elec. Lt., Water	
Rents	3,795.00	etc.	638.58
Investments	6,000.00	Coal	767.44
Appropriation City of		Salaries	2,842.00
Peabody	4,000.00	Lyceum Library Com.	7,200.00
		Sundries	526.20
		Interest and Pre-pay-	
		ments	3.47
		Premiums	20.00
		Investments	6,257.44
		Balance	1,828.58
<hr/>		<hr/>	
\$ 21,720.44		\$ 21,720.44	

Peabody Reserve Fund Cash Account—Year 1926

Dr.		Cr.	
Interest, Dividends	\$ 2,819.89	Balance	\$ 245.76
Rents	300.00	Lyceum Library Com.	2,000.00
Investments	2,000.00	Sundries	7.88
		Interest and Pre-pay-	
		ments	11.34
		Premium	15.00
		Investments	2,016.89
		Balance	823.02
<hr/>		<hr/>	
\$ 5,119.89		\$ 5,119.89	

Eben Dale Sutton Reference Library**General Fund Cash Account—Year 1926**

Dr.		Cr.	
Balance	\$ 599.95	Insurance	\$ 162.00
Interest, Dividends	1,333.75	Library Com.	1,300.00
		Sundries	12.50
		Balance	459.19
<hr/>		<hr/>	
\$ 1,933.69		\$ 1,933.69	

Sutton Light and Fuel Fund Cash Account—Year 1926

Dr.		Cr.	
Balance	\$ 287.50	Transfer to Gen. Fd.....	\$ 215.00
Interest, Dividends	215.00	Balance	287.50
	<hr/>		<hr/>
	\$ 502.50		\$ 502.50

Sutton Building Fund Cash Account—Year 1926

Dr.		Cr.	
Balance	\$ 651.40	Investments	\$ 63.63
Interest, Dividends	947.38	Balance	1,535.15
	<hr/>		<hr/>
	\$ 1,598.78		\$ 1,598.78

Eben T. Osborn Estate Cash Account—Year 1926

(For the Benefit of the Eben Dale Sutton Reference Library)

Dr.		Cr.	
Balance	\$ 121.57	Heating, Janitor Service	
Interest, Dividends	1,396.30	Sutton Library	\$ 300.00
		Investments	120.00
		Balance	1,097.87
	<hr/>		<hr/>
	\$ 1,517.87		\$ 1,517.87

High School Medal Fund Cash Account—Year 1926

Dr.		Cr.	
Balance	\$ 45.08	Medals	\$ 87.00
Interest, Dividends	135.51	Investments	35.51
		Balance	58.08
	<hr/>		<hr/>
	\$ 180.59		\$ 180.59

Peabody Burial Lot Cash Account—Year 1926

Dr.		Cr.	
Balance	\$ 189.19	Care of Lot Harmony	
Interest, Dividends	48.75	Grove Cemetery	\$ 30.00
		Investments	8.76
		Balance	199.18
	<hr/>		<hr/>
	\$ 237.94		\$ 237.94

**Peabody Library Cash Account—Lyceum and Library
Committee—Year 1926**

Dr.		Cr.	
Balance	\$ 239.13	Salaries	\$ 3,323.10
Transfer from Gen. Fund	7,200.00	Books	850.11
Transfer from Reserve Fund	2,000.00	Magazines	333.45
Peabody Lodge Elks	25.00	Binding	495.12
Peabody Woman's Club	25.00	Printing	43.10
Sale of Books and Sundries	41.59	Supplies, etc.	248.86
J. E. Keefe Fines etc.	147.34	Children's Room	4,135.86
		Lectures	192.18
		Balance	56.28
	<hr/> \$ 9,678.06		<hr/> \$ 9,678.06

Sutton Library Cash Account—Year 1926

Dr.		Cr.	
Balance	\$ 419.96	Salaries	\$ 1,220.00
Trans. from Sutton Gen. Fd.	1,300.00	Books	25.70
		Magazines	8.00
		Supplies	36.50
		Balance	429.76
	<hr/> \$ 1,719.96		<hr/> \$ 1,719.96

Peabody Library General Fund Balance Sheet—Dec. 31, 1926

Dr.		Cr.	
Cash	\$ 1,828.58	Principal Acct.	\$223,684.53
Securities, Investments	107,800.65	Income Acct.	6,959.64
Institute Building and Grounds	104,521.00		
Real Estate Invest- ments	16,236.44		
Premiums	145.00		
Profit and Loss	112.50		
	<hr/> \$230,644.17		<hr/> \$230,644.17

Peabody Library Reserve Fund Balance Sheet—Dec. 31, 1926

Dr.		Cr.	
Cash	\$ 823.02	Principal Acct.	\$ 55,447.10
Securities, Investments	55,551.15	Income Acct.	21,969.62
Deposit Salem Savings Bank	1,121.82	Profit and Loss	4,747.95
Deposit Warren Five Cents Savings Bank..	331.89		
Wallis House Improvements	22,336.79		
Real Estate Investments	2,000.00		
	<hr/>		<hr/>
	\$ 82,164.67		\$ 82,164.67

Sutton General Fund Balance Sheet—Dec. 31, 1926

Dr.		Cr.	
Cash	\$ 459.19	Principal Acct.	\$ 26,000.00
Securities, Investments	27,743.75	Income Acct.	3,150.44
Profit and Loss	947.50		
	<hr/>		<hr/>
	\$ 29,150.44		\$ 29,150.44

Sutton Light and Fuel Fund Balance Sheet—Dec. 31, 1926

Dr.		Cr.	
Cash	\$ 287.50	Principal Acct.	\$ 5,000.00
Securities, Investments	4,575.00		
Profit and Loss	137.50		
	<hr/>		<hr/>
	\$ 5,000.00		\$ 5,000.00

Sutton Building Fund Balance Sheet—Dec. 31, 1926

Dr.		Cr.	
Cash	\$ 1,535.15	Principal Acct.	\$ 8,463.30
Deposit Warren Five Cents Savings Bank..	1,320.72	Income Acct.	12,108.95
Securities, Investments	17,910.13	Profit and Loss	193.75
	<hr/>		<hr/>
	\$ 20,766.00		\$ 20,766.00

High School Medal Fund Balance Sheet—Dec. 31, 1926

Dr.		Cr.	
Cash	\$ 58.08	Principal Acct.	\$ 2,000.00
Securities, Investments	2,000.00	Income Acct.	795.22
Deposit Warren Five Cents Savings Bank	737.14		
	<u>\$ 2,795.22</u>		<u>\$ 2,795.22</u>

Burial Lot Fund Balance Sheet—Dec. 31, 1926

Dr.		Cr.	
Cash	\$ 199.18	Principal Acct.	\$ 1,000.00
Securities, Investments	1,000.00	Income Acct.	381.25
Warren Five Cents Savings Bank	182.07		
	<u>\$ 1,381.25</u>		<u>\$ 1,381.25</u>

Eben T. Osborn Estate Balance Sheet—Dec. 31, 1926

Dr.		Cr.	
Cash	\$ 1,097.87	Principal Acct.	\$ 22,062.14
Securities, Investments	26,764.60	Income Acct.	5,977.73
Premium Acct.	75.00		
Profit and Loss	102.40		
	<u>\$ 28,039.87</u>		<u>\$ 28,039.87</u>

SCHEDULE I.

**Real Estate and Invested Funds Belonging to the
General Fund Account**

BONDS REGISTERED, PRINCIPAL AND INTEREST

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Balt. & Ohio R. R. 1st Mtg. 4's 1948	1903	\$1002.50	\$1000.00	\$1000.00	\$930.00
Balt. & Ohio R. R. 1st Mtg. 4's 1949	1899	495.00	500.00	500.00	465.00
Central Pac. Ry. Co. 1st Mtg. Gold 4's 1954	1908	910.00	1000.00	910.00	900.00
City of San Diego Water, 4½'s 1942	1915	1925.00	2000.00	1925.00	2020.00
Dequesne Light Co. 6's 1949	1920	850.00	1000.00	850.00	1056.00
Lehigh & New York R. R. 1st Mtg. 4's 1945	1902	4987.50	5000.00	5000.00	4500.00
Mass. Gas Co. Gold 4½'s 1931	1913	956.25	1000.00	956.25	990.00
N. Y. Cent. & H. R. R. Deb. 4's 1934	1904	4975.00	5000.00	5000.00	4900.00
Seattle Elec. Co. Con. & Ref. Mtg. Gold 5's 1929	1912	996.25	1000.00	997.50	1000.00
State of Oregon Highway 5¾ 1937	1921	3096.30	3000.00	3000.00	3336.00
U. S. Steel, Skg. Fd. 5's 1963	1911	1057.50	1000.00	1000.00	1070.00
Western Union Tel. Fdg. & Real Est. 4½'s 1950	1903	5075.00	5000.00	5000.00	5000.00
N. Y. Central & H. R. R. Deb. now Mtg. 4's 1934	1916	1815.00	2000.00	1815.00	1960.00

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Ann Arbor R. R. 1st Mtg. Gold 4's 1995	1902	2977.50	3000.00	3000.00	2400.00
American Tel. & Tel. Col. Tr. 4's 1929	1900	3960.00	4000.00	4000.00	3960.00
Buffalo R. R. Co. 1st Con. Mtg. 5's 1931	1902	3495.00	3000.00	3000.00	2490.00
Buffalo & Susq. R. R. 1st. Mtg. 4's 1963	1901	2197.32	2000.00	2000.00	1540.00
Butter, Anaconda & Pac. R. R. 1st Mtg. Skg. Fd. 5's 1944	1914	997.50	1000.00	997.50	950.00
Chi. Mil. & St. Paul R. R. Con. Gen. Mtg. & Ref. Mtg. 5's 2014	1915	2030.00	2000.00	2000.00	570.00
Cumberland Tel. & Tel. 1st & Gen. Mtg. 5's 1937	1912	1008.75	1000.00	1000.00	1020.00
Conn. & Passumpic R. R. 1st Mtg. 4's 1943	1894	997.50	1000.00	1000.00	870.00
Detroit Edison Co. 1st & Ref. Mtg. 5's 1940	1916	2035.00	2000.00	2000.00	2060.00
Consumers Power 1st & Ref. Mtg. 5's 1936	1923	950.00	1000.00	950.00	1020.00
Edison Elec. Ill. Co. 1st Con. Mtg. 4's 1939	1900	1930.00	2000.00	2000.00	1920.00
Edison Elec. Ill. Co. 1st Con. Mtg. 4's 1939	1899	4625.00	5000.00	5000.00	4800.00
Edison Elec. Ill. Co. 1st Con. Mtg. 4's 1939	1899	2835.00	3000.00	3000.00	2880.00
Illinois Central R. R. Louv. Div. 1st Mtg. 3½'s 1953	1899	4060.00	4000.00	4000.00	3320.00
Indiana Col. & East'n Gen. Ref. Mtg. 5's 1926	1902	5137.50	5000.00	5000.00	1000.00

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Interboro Rapid Tr. 1st Ref. Mtg. 5's 1966	1914	990.00	1000.00	990.00	770.00
Memphis Power & Lt. Co. 1st Ref. Mtg. 4's '48	1924	1920.00	2000.00	1920.00	2000.00
Texas Power & Lt. Co. 1st Mtg. Gold 5's '37	1924	2932.50	3000.00	2932.50	3000.00
New York & Penn. Tel. Gen. Mtg. Gold 4's 1929	1900	1920.00	2000.00	2000.00	1960.00
Portland Gen. Elec. 1st. Mtg. 5's 1935	1914	1020.00	1000.00	1000.00	1000.00
Puget Sound Pr. & Lt. 5½'s 1949	1925	1000.00	1000.00	1000.00	1000.00
Penn. & Ohio Pr. & Lt. Co. 1st Ref. Mtg. 5½'s 1954	1926	1020.00	1000.00	1000.00	1000.00
Ohio River R. R. Gen. Mtg. Gold 4's 1937	1902	1445.00	1000.00	1000.00	1010.00
Pac. Tel. & Tel. 1st Mtg. 5's 1937	1910	995.00	1000.00	995.00	1030.00
Pittsburg Shenango & Lake Erie, 1st Mtg. 5's 1940	1902	1220.00	1000.00	1000.00	1020.00
Montreal Light, Heat & Power, 5's 1933	1923	943.60	1000.00	943.60	1010.00
Prov. of New Bruns- wick 6's Trans. Deb. 1931	1921	895.00	1000.00	895.80	1030.00
Raleigh & S. W. Ry. Co. 1st Mtg. 4's 1936	1910	5075.00	5000.00	5000.00	4550.00
Rio Grande & West 1st Con. Mtg. 4's 1949	1902	937.50	1000.00	1000.00	850.00
Toronto Ham & Buf- falo 1st Mtg. 4's 1946	1901	1995.00	2000.00	2000.00	1800.00

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
West Tel. & Tel. Col.					
Tr. 5's 1932	1902	5262.50	5000.00	5000.00	5050.00
Standard Oil Co., N.					
Y. 6½'s Deb. 1933	1923	5345.00	5000.00	5000.00	5030.00
Rio Grande & Westn.					
1st Con. Mtg. 4's					
1949	1901	757.00	1000.00	1000.00	840.00
West End St. R. R.					
Plain 5's 1944	1915	2060.00	2000.00	2000.00	1960.00

BONDS NOT REGISTERED

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Warren National Bank	1859	\$300.00	\$300.00	\$300.00	\$360.00
N. York R. R. Co. (8 Shares) on Acct. of adj. 28th & 29th St.		MEMO			
Crosstown R. R. 3 1/5 shares Gen. Fd.					
Commonwealth Edi- son Co. 1st Mtg. 5's 1943	1923	2970.00	3000.00	2970.00	3120.00
Illinois Bell Tele- phone 1st Ref. Mtg. 5's 1956	1923	952.50	1000.00	952.50	1040.00
		<u>\$109032.97</u>	<u>\$108800.00</u>	<u>\$107800.65</u>	<u>\$99357.00</u>
Wallis House, also see Reserve Fd. for Improvements '23				10000.00	1000.00
Merrill House				6236.44	6236.44
Institute Building and Grounds, Con- tents (excluding books)				104521.00	104521.00
				<u>\$228558.09</u>	<u>\$220114.44</u>

SCHEDULE II.

**Real Estate and Invested Funds Belonging to the
Reserve Fund Account**

BONDS REGISTERED, PRINCIPAL AND INTEREST

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Boston Elevated R. R. 4½'s 1941	1911	\$2000.00	\$2000.00	\$1998.50	\$1860.00
Cent. Pac. R. R. 1st Mtg. Gold 4's 1954	1904	2730.00	3000.00	2730.00	2700.00
Chicago Ry. Co. 1st Mtg. 5's 1927	1909	3030.00	3000.00	3000.00	2930.00
Cincinnati Gas & Elec. 1st 5's 1956	1918	910.00	1000.00	910.00	1030.00
Penn. R. R. Gen. Mtg. 4½'s 1965	1918	1780.00	2000.00	1780.00	2000.00
U. S. Steel Co., Skg. Fd. 5's 1963	1911	1057.50	1000.00	1000.00	1070.00
U. S. Liberty Bond 1st Loan 4½'s Collable 1932	1917	1000.00	1000.00	1000.00	1030.00
Lake Shore & Mich. So. 4's 1931	1908	1852.00	2000.00	1852.50	1960.00
U. S. Liberty Bond 4's 1928	1918	1000.00	1000.00	1000.00	1010.00
Atlantic Coast Line 4's 1952	1905	1920.00	2000.00	2000.00	1900.00
Butte, Anaconda Pac. R. R. 1st Mtg. Skg. Fd. 5's 1944	1914	997.50	1000.00	997.50	950.00
Brooklyn Edison Co. Gen. Mtg. 5's 1949	1924	1000.00	1000.00	1000.00	1050.00
Cin. Ham. & Dayton R. R. Gen. Mtg. 5's 1942	1892	2040.00	2000.00	2000.00	2000.00
City of Ottawa Deb. 5's 1945	1915	1980.00	2000.00	1980.00	2000.00

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Columbus Ry. Power & Lt. 5's 1940	1925	985.00	1000.00	985.00	990.00
Detroit Edison 1st Ref. Mtg. 5's 1940	1918	910.00	1000.00	910.00	1030.00
Idaho Power & Lt. 5's 1947	1925	975.00	1000.00	975.00	1000.00
Min. Power & Lt. 5's 1955	1925	975.00	1000.00	975.00	1000.00
Montreal Tramways 5's 1941	1913	990.00	1000.00	990.00	980.00
N. E. Tel. & Tel. Plain 5's 1932	1902	2195.00	2000.00	2000.00	2020.00
Nor. Pac. Gt. Nor. Ref. & Imp. 4½'s 2047	1915	1905.00	2000.00	1905.00	1900.00
Nor. State Power Co. 5's 1941	1917	1946.25	2000.00	1946.25	2020.00
Nor. State Power Co. 1st Ref. Mtg. 5's 1941	1916	1930.00	2000.00	1930.00	2020.00
N. Y. Railways Co. 3 1/5 Shares Stock Exc. for 28 & 29th Crosstown	MEMO				
Pacific Tel. & Tel. 5's 1937	1910	995.00	1000.00	995.00	1030.00
Penn. & Nor. West'n R. R. Gen. Mtg. 5's 1930	1902	5837.50	5000.00	5000.00	5000.00
Pere Marquette 1st Mtg. 5's 1956 Script	1892	990.00	1000.00	1000.00	1050.00
Seattle Elec. Co. Con. & Ref. Mtg. 5's 1929	1912	2992.50	3000.00	2992.50	3000.00
West. Tel. & Tel. Coll. Tr. 5's exc. for Erie Tel. 1932	1898	1010.00	1000.00	1000.00	1010.00
Montreal Light, Heat & Power Co. 5's 1933	1923	1887.20	2000.00	1887.20	2020.00

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Puget Sound Power & Lt. Co. 5½'s 1st Ref. Mtg. 1949	1926	1015.00	1000.00	1000.00	1000.00
Florida Power Lt. Co. 5's 1954	1926	949.50	1000.00	949.50	950.00
Com. Edison 1st Mtg. Gold 5's 1943	1916	3075.00	3000.00	3000.00	3120.00
City of Spokane Ref. 4½'s Water 1931	1916	950.80	1000.00	950.80	1000.00
City of Spokane Park 4½'s 1962	1918	911.40	1000.00	911.40	1030.00
Deposit Warren Five Cents Savings Bank		331.89	331.89	331.89	331.89
Deposit Salem Sav- ings Bank		1121.82	1121.82	1121.82	1121.82
Hammond House		2000.00	2000.00	2000.00	2000.00
Wallis House Im- provements to be trans. to Gen. Fd.		22336.79	22336.79	22336.79	22336.79
		<u>\$82512.65</u>	<u>\$81790.50</u>	<u>\$81341.65</u>	<u>\$82440.50</u>

SCHEDULE III.

Invested Funds Belonging to the Eben Dale Sutton
Reference Library, General Fund Account

BONDS REGISTERED, PRINCIPAL AND INTEREST

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Chicago Ry. Co. 1st Mtg. 5's 1927	1909	1010.00	1000.00	1000.00	740.00
Louisville, Nash. So. Monon. Joint 4's 1952	1902	4800.00	5000.00	5000.00	4400.00
U. S. Liberty Bond 1st Loan Callable 1932 4¼ 1947	1917	1000.00	1000.00	1000.00	1020.00

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
U. S. Liberty Bond					
4th Loan 4½ 1938	1918	500.00	500.00	500.00	510.00
Penn. R. R. Gen.					
Mtg. 4½'s 1965	1919	882.50	1000.00	882.50	1000.00

BONDS REGISTERED AS TO PRINCIPAL

Atlantic Coast Line					
Louis & Nash. 4's					
1952	1905	906.00	1000.00	1000.00	920.00
Boston Elevated Ry.					
Co. 4½'s 1941	1923	2501.25	3000.00	2501.25	2790.00
Dayton Power & Lt.					
Co. Ref. 5's 1941	1923	1860.00	2000.00	1860.00	2020.00
Fitchburg R. R. Deb.					
5's 1934	1914	2037.50	2000.00	2000.00	1860.00
N. Y. Railway Co.					
Stock 1,35 Shares					
Ohio River R. R. Gen.					
Mtg. 5's 1937	1902	5725.00	5000.00	5000.00	2050.00
Pittsburg Shenango					
& Lake Erie 1st					
Mtg. 5's 1940	1902	4880.00	4000.00	4000.00	4080.00
So. Pac. R. R. Co. 20					
yr. Conv. 1934	1914	3021.67	3000.00	3000.00	3060.00
		\$29123.92	\$28500.00	\$27743.75	\$27450.00

SCHEDULE IV.

Invested Funds Eben Dale Sutton Reference Library
Light and Fuel Fund

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Boston Elevated Ry.					
Co. 30 yr. Plain					
4's 1935	1914	1702.50	2000.00	1702.50	1820.00
N. Y. C. R. R. Ref. &					
Imp. Mtg. 4½'s					
2013	1914	2872.50	3000.00	2872.50	2943.00
		\$4575.00	\$5000.00	\$4575.00	\$4763.00

SCHEDULE V.

**Invested Funds Eben Dale Sutton Reference Library
Building Fund Account**

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
B. & M. R. R. Plain Gold 4½'s 1944	1893	1052.00	1000.00	1000.00	932.00
Boston Elevated Plain 30 yr. Gold 5's 1942	1912	3000.00	3000.00	3000.00	2940.00
Chicago Railway Co. 1st Mtg. Gold 5's 1927	1909	1010.00	1000.00	1000.00	750.00
N. Y. Tel. 1st Gen. Mtg. 4½'s 1939	1918	867.50	1000.00	867.50	990.00
Portland Terminal Co. 1st Mtg. 4's 1961	1914	900.00	1000.00	900.00	820.00
U. S. Liberty Bond 4th Loan 4¼ 1938	1918	500.00	500.00	500.00	510.00
U. S. Liberty Bond 4½ 1928 3rd	1920	937.63	1000.00	937.63	1020.00
Boston Elevated Ry. 5's 1942 Trans. from Res. Fd.	1923	1000.00	1000.00	1000.00	980.00

REGISTERED PRINCIPAL

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Am. Tel. & Tel. Co. Coll. Tr. 4's 1929	1914	888.75	1000.00	888.75	990.00
City of Ottawa Can. 5's Plain 1945	1915	990.00	1000.00	990.00	990.00
Illinois Central R. R. 3½ 1953	1899	1015.00	1000.00	1000.00	830.00
Interboro Rapid Transit 1st & Ref. 5's 1966	1914	1980.00	2000.00	1980.00	1540.00

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Minn. Gas Light Co.					
1st Mtg. 5's 1930	1914	1000.00	1000.00	1000.00	990.00
Miss. River Power					
5's 1951	1914	846.25	1000.00	846.25	1020.00
N. E. Tel. & Tel. Co.					
Plain 5's 1932	1912	1011.25	1000.00	1000.00	1030.00
Western Union Tel.					
Co. 6½'s 1936	1923	1092.75	1000.00	1000.00	1120.00
Deposit Warren Five					
Cents Savings Bank		1320.72	1320.72	1320.72	1320.72
		<hr/>	<hr/>	<hr/>	<hr/>
		\$19411.85	\$19820.72	\$19230.85	\$18760.72

SCHEDULE VI.

Invested Funds High School Medal Fund

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
U. S. Steel Coll.. Tr.					
Skg. Fd. 5's 1963	1908	2057.00	2000.00	2000.00	2140.00
Deposit Warren Five					
Cents Savings Bank		737.14	737.14	737.14	737.14
		<hr/>	<hr/>	<hr/>	<hr/>
		\$2794.14	\$2737.14	\$2737.14	\$2877.14

SCHEDULE VII.

Invested Funds Burial Lot Fund

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Chicago, Burlington					
& Quincy R. R.					
Skg. Fd. 4's 1927	1888	980.00	1000.00	1000.00	1000.00
Deposit Warren Five					
Cents Savings Bank		182.07	182.07	182.07	182.07
		<hr/>	<hr/>	<hr/>	<hr/>
		\$1162.07	\$1182.07	\$1182.07	\$1182.07

SCHEDULE VIII.

**Eben T. Osborn Fund for the Benefit of the Eben Dale
Sutton Reference Library**

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
Am. Tel. & Tel. Co. Coll. Tr. 4½ 1929	1898	1017.50	1000.00	1000.00	930.00
Boston Elevated Ry. 5's 1942 Trans. from Res. Fd.	1923	1000.00	1000.00	1000.00	980.00
Consumer Power Co. 5's 1936	1922	960.00	1000.00	960.00	1020.00
U. S. Liberty Bonds 4½ 4th Loan 1938	1919	9429.10	10000.00	9429.10	10200.00
Duquesne Light 6's 1949	1920	1700.00	2000.00	1700.00	2120.00
B. & M. R. R. Eq. Tr. 6's 1936	1923	2000.00	2000.00	2000.00	2140.00
Central Vermont R. R. Reg. Mtg. Gold 5's exc. for 1920 4's 1930	1892	960.00	1000.00	1000.00	980.00
Duquesne Light 6's 1949	1925	3188.25	3000.00	3000.00	2180.00
Virginian R. R. 5's 1962	1923	1895.00	2000.00	1895.50	2080.00
Idaho Power Co. 5's 1947	1923	1790.00	2000.00	1790.00	2000.00
Memphis Power & Lt. 5's 1948	1923	880.00	1000.00	880.00	1000.00
5 Shares Mass. Gas Pfd.		340.00	500.00	340.00	340.00
1 Share Old Colony R. R.		112.00	100.00	112.00	123.00
4 Shares Boston & Maine R. R. 1st Pfd. Class B		380.00	400.00	380.00	428.00
1 Share New York N. H. & H. R. R.		37.00	100.00	37.00	42.00

ANNUAL REPORT

Name	Bought	Cost	Par	Bk. Val.	Mkt. Val.
2 Shares Norwick & Worcester Pfd.		200.00	200.00	200.00	250.00
1 Share B. & M. R. R. 1st Pfd. Class A		63.00	100.00	63.00	68.00
5 Shares B. & M. R. R. 1st Pfd. Class D		600.00	500.00	600.00	540.00
2 Shares Nashua-Lowell		258.00	200.00	258.00	268.00
1 1/5 Shares B. & M. Prior Pref. Stock		120.00	120.00	120.00	120.00
		<u>\$26929.85</u>	<u>\$28220.00</u>	<u>\$26764.60</u>	<u>\$28809.00</u>

INSURANCE

Institute Building (Peabody Library)	\$93,000.00	
Institute Building (Sutton Library)	6,000.00	
		<u>\$99,000.00</u>
Contents Peabody Library:		
Equipment, Furnishings, etc.	20,000.00	
Books	20,000.00	
		<u>40,000.00</u>
Contents Sutton Library:		
Equipment, Furnishings, etc.	3,500.00	
Books	15,000.00	
		<u>18,500.00</u>
Hammond House		2,500.00
Wallis House with Improvements to date		37,000.00
Merrill House		8,000.00
		<u>205,000.00</u>
Boiler Liability Insurance		5,000.00
General Liability Insurance (Public)		10,000.00
		<u>\$220,000.00</u>
Liability Insurance Workman's Compensation		4,000.00
		<u>\$224,000.00</u>

JOHN J. GALLAGHER,
Treasurer.

Peabody, Mass., January 8, 1927.

We have this day examined the Books, Accounts and Securities of John J. Gallagher, Treasurer of the Peabody Institute in Peabody, Mass., and find the Books and Accounts to be correct and the Securities to be intact.

Signed,

HAROLD G. DUNNEY,
JOHN E. FITZGERALD,
JOSEPH M. GILMORE,
DANIEL L. TUMELTY,
Finance Committee.

Peabody, Mass., January 8, 1927.

I have examined the foregoing accounts of the Treasurer of the Peabody Institute in Peabody, Mass., together with the securities named therein, and find the same to be correct.

Signed,

WM. F. GOGGIN,
City Auditor.

May 12, 1926

Trustees of the Peabody Institute,
Peabody, Mass.

Gentlemen:

In accordance with your instructions we have audited the books and accounts of the Treasurer of the Trustees for the year ended December 31, 1925, and report thereon as follows:

The income from interest on bonds, dividends on stocks, and bank interest has been verified and all found to be accounted for properly. The average rate of income from securities and savings bank deposits for 1925 was 4.69% on the book value of securities and cash at the beginning of the year. Receipts from rent of hall and sundry receipts by the library were not verified but accepted as shown in the cash books. Rents from houses owned were as follows:

Hammond House, 11 Wallis Street	\$ 289.00
Merrill House, 9 Wallis Street	526.00
Wallis House, 66 Main Street	3,480.00
	<hr/>
	\$4,295.00

Rent from one tenement for one month was due and unpaid at the end of the year.

Cancelled checks and vouchers were on hand covering all disbursements; the vouchers being properly approved where such approval was necessary.

The cash balances as shown by the cash books were in agreement with certificates of balance obtained from the bank as of December 31, 1925, after making allowance for outstanding checks and items in transit.

The securities and savings bank books representing the investments of the various funds were examined and found

to be on hand as called for by the records. The savings bank accounts were verified by correspondence with the banks.

As of June 30, 1925 four bonds were transferred from the reserve fund to other funds as follows:

Transferred to Sutton Building Fund:

\$1,000.00 Illinois Central Railroad, 3½'s, 1953.

1,000.00 Boston & Maine, Plain Gold 4½'s, 1944.

Transferred to Eben T. Osborn Fund:

\$1,000.00 Central Vermont Railroad, 5's, 1930.

1,000.00 American Telephone & Telegraph Company, 4's, 1929.

*All of these transfers were made at the book value of the bonds, which was also par value. As the market value of the bonds was less than par, the reserve fund was favored at the expense of the two funds receiving the bonds. Adjusting entries covering these transfers should be made so that the funds receiving the bonds will be charged only with the market value as of June 30, 1925.

In November, 1925, Pere Marquette Railway script having a book value of \$136.00 was sold for \$148.60. The total amount received, \$148.60, was credited to reserve fund income. It should have been credited to reserve fund investments and the gain then transferred to reserve fund profit-and-loss account. Adjusting entries covering this transaction should be made.

The insurance policies covering the buildings, personal property, and liability insurance were listed and found to be in good order and apparently sufficient to cover the property.

Attached hereto, and forming a part of this report, are three schedules showing the transactions for the year and the condition of the funds at the end of the year.

Very respectfully,

HARVEY S. CHASE & COMPANY,

Certified Public Accountants.

* Covered by vote of Finance Committee.

SCHEDULE I.

TRUSTEES OF THE PEABODY
INSTITUTE

Balance Sheet, December 31, 1926

ASSETS

Real Estate:		
Institute Building and Grounds	\$101,500.00	
General Fund Investments	14,000.00	
Reserve Fund Investments	24,336.79	
	<hr/>	
Total Real Estate		\$139,836.79
Securities:		
General Fund Investments	\$107,800.65	
Reserve Fund Investments	55,737.65	
Sutton General Fund Investments	27,743.75	
Sutton Light and Fuel Fund Investments	4,575.00	
Sutton Building Fund Investments	17,910.13	
High School Medal Fund Investments	2,000.00	
Burial Lot Fund Investments	1,000.00	
Eben T. Osborn Fund Investments	26,644.60	
	<hr/>	
Total Securities		243,411.78
Savings Bank Deposits:		
Reserve Fund	\$ 1,386.32	
Sutton Building Fund	1,257.09	
High School Medal Fund	701.63	
Burial Lot Fund	173.31	
	<hr/>	
Total Savings Bank Deposits		3,518.35
Cash (Warren National Bank):		
General Fund	\$ 7,489.83	
Reserve Fund (Overdrawn)	245.76	
Sutton General Fund	599.94	
Sutton Light and Fuel Fund	287.50	
Sutton Building Fund	651.40	

High School Medal Fund	45.08	
Burial Lot Fund	189.19	
Eben T. Osborn Fund	121.57	
Cash Advanced to Committees	659.09	
	<hr/>	
Total Cash		9,797.84
Premiums on Bonds Purchased:		
General Fund	\$ 195.00	
Eben T. Osborn Fund	100.00	
	<hr/>	
Total Premiums on Bonds Purchased		295.00
		<hr/>
		\$396,859.76

TRUSTEES OF THE PEABODY INSTITUTE

Balance Sheet, December 31, 1926

FUNDS

General Fund:		
Principal	\$223,684.53	
Income	7,413.45	
Profit-and-Loss (Debit Balance)	112.50	
Total		\$230,985.48
Reserve Fund:		
Principal	\$ 55,447.10	
Income	21,032.55	
Profit-and-Loss	4,735.35	
Total		81,215.00
Sutton General Fund:		
Principal	\$ 26,000.00	
Income	3,291.19	
Profit-and-Loss (Debit Balance)	947.50	
Total		28,343.69
Sutton Light and Fuel Fund:		
Principal	\$ 5,000.00	
Profit-and-Loss (Debit Balance)	137.50	
Total		4,862.50
Sutton Building Fund:		
Principal	\$ 8,463.30	
Income	11,161.57	
Profit-and-Loss	193.75	
Total		19,818.62
High School Medal Fund:		
Principal	\$ 2,000.00	
Income	746.71	
Total		2,746.71

Burial Lot Fund:

Principal	\$ 1,000.00	
Income	362.50	
Total		1,362.50

Eben T. Osborn Fund:

Principal	\$ 22,062.14	
Income	4,906.43	
Profit-and-Loss (Debit Balance)	102.40	
Total		26,866.17

Committee Advances

659.09

\$396,859.76

SCHEDULE II.

TRUSTEES OF THE PEABODY INSTITUTE

Statement of Income and Expenditures Year Ending December 31, 1926

INCOME

Interest and Dividends:		
General Fund	\$4,809.28	
Reserve Fund	3,045.24	
Sutton General Fund	1,333.74	
Sutton Light and Fuel Fund	215.00	
Sutton Building Fund	864.31	
High School Medal Fund	133.78	
Burial Lot Fund	48.33	
Eben T. Osborn Fund	1,236.17	
Total Interest and Dividends		\$11,685.85
Rents:		
General Fund	\$4,076.00	
Reserve Fund	289.00	
Total Rents		4,365.00
City of Peabody, Appropriation		4,000.00
Sundry:		
Lyceum and Library Committee,		
Fines, etc.		134.60
Total Income		\$20,185.45

EXPENDITURES

Lyceum and Library Committee:		
Salaries	\$3,531.34	
Books	1,116.54	
Magazines	291.15	
Binding	433.45	
Printing	42.60	
Supplies and Incidentals	245.63	
		\$5,660.71

Sutton Library Committee:

Salaries	\$1,220.00	
Books	107.85	
Magazines	11.00	
Supplies and Incidentals	23.75	
	<hr/>	1,362.60
Salaries		2,265.00
Repairs and Painting		1,213.36
Insurance		1,235.18
Gas, Electric Light and Water		535.05
Coal		649.76
Sundries		308.02
Medals		110.00
Care of George Peabody Burial Lot		30.00
Premiums on Bonds, Charged Off		181.00
		<hr/>
Total Expenditure		\$13,550.68
		<hr/>
Net Income		\$6,634.77

SCHEDULE III.

TRUSTEES OF THE PEABODY INSTITUTE

Fund Increases and Decreases
Year Ending December 31, 1926

CHANGES IN INCOME

	Dec. 31, 1924	Dec. 31, 1925	Increase	Decrease
General Fund	\$ 2,499.65	\$ 7,413.45	\$4,913.80	
Reserve Fund	20,827.50	21,032.55	205.05	
Sutton General Fund	3,398.15	3,291.19		\$106.96
Sutton Building Fund	10,340.01	11,161.57	821.56	
High School Medal Fund	722.93	746.71	23.78	
Burial Lot Fund	344.17	362.50	18.33	
Eben T. Osborn Fund	4,058.51	4,906.43	847.92	
Committee Advances	747.80	659.09		88.71
			\$6,830.44	195.67
			\$195.67	

Net Increase of Income Accounts—Schedule II \$6,634.77

CHANGES IN PRINCIPAL

	Gain
General Fund:	
Gain from Sale of,	
\$1,000 E. I. DuPont de Nemours, 7½s, 1931 (called)	\$85.00
Reserve Fund:	
Gain from Sale of,	
\$3,000 Province of New Brunswick, 4½s, 1925	\$120.00
Additional Gain from,	
\$1,000 Brooklyn Edison Company, 7c, 1940, called in 1924	\$5.00
	\$125.00

Eben T. Osborn Fund:

Gain from Sale of,

7 shs. American Telephone & Telegraph Company	\$221.00
2 shs. Boston Storage Warehouse Company	88.92
2 shs. Boston Wharf Company	56.92
7 shs. Boston & Albany Railroad Company	102.97
2 shs. Worcester Street Railway, 1st Preferred	50.92

\$520.83

Loss from Sale of,

7 shs. Boston Elevated Railway Company	3.61
--	------

\$517.22

Net Increase in Principal

\$727.22

Net Increase in Assets

\$7,361.99

REPORTS OF COMMITTEES

To the Trustees of the Peabody Institute:

Gentlemen:—The reports of the Librarians and of the Sub-Committees of the Lyceum and Library Committee are herewith submitted. They present in full the work of the Institute for the year ending December 31, 1926.

Respectfully submitted,

WILLARD W. WOODMAN,
Chairman Lyceum and Library Committee.

Report of the Library Committee for the Year Ending December 31, 1926

The work of the Library for the past year has been conducted in its usual efficient manner, the circulation has been well maintained, and shows that the Library, under its present management, is increasing in popularity with the citizens of Peabody.

The books purchased have been carefully selected, the committee and the librarian cooperating in their examination, and no books deleterious or objectionable were put in circulation. The Librarian's report will give in detail the work of the library during the year.

The establishment of the long expected reading room for children was accomplished this year, and its success has exceeded the highest expectations of its advocates. To provide for it, many changes in the interior of the library were necessary. A new reading room for adults, the removal of book stacks and rearrangement of books, and many other alterations.

A noticeable improvement was the removal of a part of the delivery desk, which had obstructed the view of persons entering the library.

It was a strenuous year for Mr. Keefe, and he is to be commended for the excellent manner in which he accomplished the work. He was fortunate in the selection of his assistants in directing the work of the children's room, Miss Bogart, a capable and efficient librarian in children's work, and Miss Johnson her assistant, have given excellent service to the young people who during library hours crowded the room. Both ladies seemed to be endowed with the happy faculty of interesting the younger children in the class of

reading suitable for them, and their solicitude and kindness to them, often made the gathering look like a happy family.

In this age of progress in material things we are liable to lose sight of our obligation to the rising generation, and at no time in the history of our country was this duty more necessary than at the present time. The training and directing of the minds of the young people who enroll in the children's library, in conjunction with the work of our schools, will be a potent factor to make them in later life upright and law-abiding, and worthy of their inheritance of American citizenship.

Children who have a taste for reading, if not properly directed, are likely to get books that are only suitable for grown people, and it is only too true, that many of the novels of the present day are not good reading even for adults.

Public libraries are considered of such importance in Massachusetts that a State department has been established for their assistance and encouragement. There are more than 400 public libraries in the State. A record not equaled by any other State in the Union.

The appropriation for the maintenance of the children's room which was given in part by the city this year, will it is hoped, be continued. This work should be considered as a part of our educational institutions in making the annual appropriations for schools. A much larger appropriation for books will be required the coming year.

The increased duties and responsibilities devolving on the librarian should be considered by the trustees in making the appropriation for the coming year. Provision should also be made for a permanent assistant in the main library.

The librarian's assistants have been courteous and faithful in the performance of their duties, and the janitors are giving excellent service.

For the Committee,

P. H. O'CONOR, Chairman.

Trustees' Report

To the Trustees of the Peabody Institute:

While the year just closed, may be considered successful in the work and improvements accomplished, much remains to be done to put the institution on a standard with other institutions of its kind. It is hoped that the citizens of our city will recognize the wonderful work being done and see to it that the financial support needed is given by the city.

The success accompanying the opening of the children's room is a source of pleasure to all and continued interest shown by the children has left no doubt that this is a valuable addition to our institution.

Our property is in good condition.

The trustees wish to acknowledge the receipt of \$4000.00 from the city.

The detailed report of the treasurer, Mr. John J. Gallagher and of various committees are submitted.

The trustees have tried to work for the welfare and interest of all and hope they have succeeded in this direction.

Respectfully submitted,

HAROLD G. DUNNEY,

Chairman, Board of Trustees.

Report of the Librarian of the Eben Dale Sutton Reference
Library from December 31, 1925 to December 31, 1926

History	700
Natural History	175
Biography	145
English Literature	115
Science	105
Geography	100
Art	93
Genealogy	47
Architecture	32
Historical Costume	31
Theology	22
Visitors and consulters	1972

FRANCES M. CARROLL, Librarian.

Librarian's Report

To the Lyceum and Library Committee:

With the formal opening of our new children's reading room on January 30, this year marks the greatest step forward in the progress of the library in a period of many years.

This room was fully completed and ready for use, prettily decorated with ferns and flowers for the occasion and open for inspection to all who cared to visit it during the afternoon and evening. The stream of people which continually filled and refilled the room from two 'till nine p. m. was most gratifying and spoke well for the interest of the public, which we hope will continue to be shown our youngest department.

During the following week the children were registered, and on February 8, the department opened for circulation. Before the end of the first week the room had more than justified the hopes placed in it by the librarian and those public spirited people of the city who have been working for years with this project in view. For more than a month it was necessary to employ the services of a special police to help handle the children, who stampeded the doors of the library in such numbers that hundreds, whom we were unable to reach, had to be sent home daily, unsatisfied.

The new children's room has but one failing—it was outgrown before it was opened. Our collection of entirely new books, strained our appropriation to the last dollar, but has never been large enough to meet the needs of its great patronage. With a registration of more than fourteen hundred children and a shelf list of less than twelve hundred volumes,

it soon became evident that if the room were to be kept open it must have more books. It also became evident that one person was unequal to the work of the department and that an assistant to the children's librarian was necessary.

The library was most fortunate in securing the services of Miss Esther L. Johnson of Peabody, who assumed her duties as assistant children's librarian on March 1st. She has proved an able assistant and quickly won a firm place in the hearts of the children.

In April, using a portion of the new appropriation from the city, we were able to add a few hundred books to the children's shelves. This addition helped to bridge over our greatest need, but at the present time our lack of sufficient books is our greatest handicap. The registration has grown so rapidly that the number of children registered has always exceeded the number of books. The proportion should be, normally, about three books to a child, giving us enough books to place deposits in the schools which would help greatly in solving our problem of congestion at the library.

The help of the new assistant enabled us to care for more children, and the circulation statistics for the new room show a steady increase throughout the year. At the end of November we were issuing 300 volumes a day, with a high average of 150 volumes for every day since the room was opened.

The new department wants no further proof of its need; the children themselves are the witnesses.

During the month of April the furniture for the adult reading room at the back of the library was put in place and the room opened for use. Two sides of the new room were fitted with open shelves, one side being entirely devoted to reference books. A good many new reference books were purchased and those which were worn out or old, were replaced with new and up-to-date material. The reference work with grade and high school pupils is steadily increas-

ing and the librarian's time, in spite of being relieved of the grade work through the medium of the children's room, is greatly taken up by the added influx of high, normal and college students.

Taking advantage of the dullness of the summer season, an attempt was made to weed from our shelves the old and worn out fiction, a list of standards being kept for replacements. It was found, however, that it will be impossible to accomplish this task without further, full-time assistance, and the list of badly needed replacements is too great to be covered by our, at present, entirely inadequate appropriation.

It is library economy to have many rather than few books, but the many should be standard, of worth and interest to the public. Where there are too few books, as in the children's room, there results a too rapid circulation. Some of the children's books which ordinarily would circulate about 36 times, have a circulation of about 82. It is plain to be seen that the result is a more rapid deterioration of books than ordinarily would be expected and explains the seemingly large number of books discarded from the children's room. This will continue until our collection of children's books is more equal in number to the demand put upon it.

This also explains in part, the condition of the fiction shelves in the adult department. These shelves now hold many of worn out and out-of-date fiction which will not again be read. Some of these are good standard books, but in the small print, doubled columned pages of fifty years ago. Good modern editions of these books should be purchased, and the old ones discarded. The worn out books with pages loose or missing and dirty from constant use, should be replaced by good editions. All useless material should be taken from the shelves and room made for books for which there is call. We are a growing community and a live city and the library needs new life and new material in the books

upon its shelves, in order that we may give the public the complete up-to-date service which it is beginning to demand.

It will be impossible to take any of the necessary steps in this direction until a trained adult assistant is secured for the librarian and an adequate appropriation be given for the purchase and replacement of books.

Children's Book Week—November 7th to 13th, was celebrated in the children's room, which was kept open every evening during the week. An exhibit of the best new children's books and editions was taken advantage of by 133 adults. The children of the sixth, seventh and eighth grades competed in making bookplates under the direction of Miss Alice Mulcahy, drawing supervisor. Many delightful plates, showing surprisingly good and careful work, were submitted and prizes were awarded the four highest competitors. The judges of the contest were: Miss Alice M. Berry, former drawing supervisor, Mrs. Lyman P. Osborn and Mrs. George R. Underwood. The book-plates were kept on exhibition for two weeks in the children's room.

An interesting book vote was taken, each child being allowed to cast one vote for his favorite book. The children were not limited to books owned by the library but were urged to vote honestly for their favorite books, wherever obtained. There was a great divergence of titles, but on the whole, the vote was a very good one. High school pupils were also urged to vote, and it was extremely gratifying to see that the year of supervised reading, under the influence of the library is beginning already to show in the improvement of the reading of our children. The votes showed consistently that the reading of children who have been regular users of the library is developing into a love for good books, while the high school vote from children who have grown up without any supervision in their reading outside of school, showed a large percentage of under-age and under-quality titles.

During the first half of the year, the library supplied the hospital with books as usual. Four sets of books have been borrowed from the travelling libraries of the Foreign Section of the State Division of Public Libraries. One of these sets are books in easy English, designed for the use of adult foreigners who are interested in learning or improving themselves in the use of the English language.

These books were placed in the children's room, which is better adapted for the Americanization classes, and have seen a gradual increase in use. The other three sets—in Syrian, Portuguese and Modern Greek, respectively, have been in circulation from the regular adult room.

It is with regret that the resignation of Miss Marjorie V. Bogart, children's librarian, has been received, to take effect January 15, 1927. Coming to Peabody in November, 1925, to take charge of our newly created department for the young folk, Miss Bogart from the first of her endeavors proved a highly competent official and under her direction this department has achieved an excellent record of service to the children. Miss Bogart was given a free hand in the establishment of the children's library and by her previous training and aptitude for her work has assured the growing success of this department, which is now patronized by hundreds of school children in the city under pleasing conditions. Miss Bogart leaves Peabody to accept a position in the Newton Public Library, which marks an advancement in her chosen vocation.

Our membership in the Library Art Club has been continued and during the year we have placed on exhibition 17 sets of pictures.

I gratefully acknowledge the support and co-operation of the library committee, also members of the staff, who have shown both interest and enthusiasm in their work.

Statistics in the usual form are hereto appended.

Respectfully yours,

JOHN E. KEEFE, Librarian.

Classification and Circulation

	Vols. Dec. 31, 1925	Added	With- drawn	Vols. Dec. 31, 1926
Law, Social Science,				
Public Documents	7433	164	6	7591
Description and Travel	3549	26	36	3539
History	4405	150	40	4515
Biography	4722	101	21	4802
Science and Arts	5423	168	149	5442
Poetry and Drama	2023	24	4	2043
General Literature				
Periodicals	12559	179	32	12716
Fiction	10265	1259	888	10636
Volumes circulated				
Adult				20230
Juvenile				40196

Accessions

Volumes in Library December 31, 1925	50783
Purchased	2,146
Periodicals bound from numbers	6
Gifts from U. S. Government	2
Gifts from State of Massachusetts	5
Gifts from individuals and institutions	58
Volumes withdrawn	1176
Volumes in Library Dec. 31, 1926	51880

Sundry Statistics

Days the Library was open	300
Circulation	60426
Average	217
Largest circulation, November 15, 1926	417
Smallest circulation, July 22, 1926	66
Fines collected, etc.	\$147.34

